



## TOWN OF NORTH ANDOVER

### FINANCE COMMITTEE

#### Meeting Minutes

Meeting Date: 1 April 2010

**Meeting Location:** Town Hall, First Floor  
Conference Room

**Meeting Called to order:** 6:40 PM

#### I. FinCom Members in Attendance

Mark Rodgers-MR, Chairman	X	Ramsey Bahrawy -RB	X
Peter Besen-PB, Vice Chairman	X	Bonnie Wilkinson-BW	
Ben Osgood-BO	X		
Jean Sullivan-JS	X	Thom Dugan-TD	X
Alan LeBovidge-AL		Herb Cunha-HC, Minutes	X

#### Non FinCom Members in Attendance

OTHERS: -Stan Limpert, SL-Vice Chair-Schl Com.-Mark Rees, MRees-Town Manager  
-Ray Santilli, RS-Asst Town Mgr. -John Simons, JS-Chr ConservCom  
-Chris Hottel, CH-Sch Supt -Curt Bellavance, CB-Dir Cons Com

**Note: All FINCOM votes are subject to change upon receipt of new information.**

#### I. Previous Minutes Approved

DATE: 30 Mar 2010      Approved, unanimous, with changes

#### III. New Business

##### AGENDA ITEM: A. Stevens Estate Review-Ray Santilli

Discussion      -He referred to 3 year plan, actual FY2010 to date has -\$23,491 surplus (deficit). For FY2010 Projected, it will be -\$39,947 and the FY2011 Requested budget shows this deficit at \$0. Weekly monitoring, reduced expenses and increased revenues are helping maintain the plan. There are a Net 5% increase in Budget, and 15% ahead of schedule for revenues at this time versus last year at this time. Facility has been enhanced with improvements such as installation of sprinklers, restored floors, painting, upgraded kitchen, and landscaping.

##### AGENDA ITEM: B. Labor contract 3 yr impacts (Mark Rees)

Discussion:      -MRees: He spoke of Police Officers and Sargents, total of 36 members, net change in salary for year 1-0%, year 2-0% and year 3-2%, with a 75%/25% contract split. Education has been maintained as an important component. The State has 3 different contracts that have been impacted by the Quinn Bill. We were in a position to pay for Quinn Bill. We have done away with the Quinn Bill by name. Contract saves us \$25k, savings built in for FY2013. Group as a whole will have less by \$19,611. Education helped avoid police cuts. He provided a handout showing details of the contract agreement.

## AGENDA ITEM: C. CPA fund recommendations (John Simons)

- Discussion:
- BO: He stated that he will not participate in discussion of the Ridgewood Cemetery project.
  - JS: He provided a listing of appropriations which listed the status of 9 projects and administrative costs for the Community Preservation Fund. He spoke of **pole removal at the Commons** to cost \$900k, to remove 26 poles. Approximately 15-20 more poles remain. Town will pay \$450k and Verizon another \$450k. They will continue to charge the 2% fee on Verizon usage. **Ridgewood Cemetery project** requires \$70,150 for restoration of gates, grave markers and landscaping. An expert will provide information on how to restore markers in the veterans' area so that volunteers can help. **Stevens Library project** is for sidewalk restoration at \$50,000. **Main Street Fire House project** is for refurbishment of building infrastructure at \$22,500. Fire fighters have volunteered to help with this project, thus keeping costs down. Other projects mentioned are **Hay Scales Building restoration, Reserve for future expenditures, Windrush Farm principal and interest expenses, parking area and signage and Rolling Ridge purchase of conservation restriction, trail access and parking area**. Regarding administrative cost, assume 3% annual growth in CPA and 35% forecast from the State.
  - TD: He asked about the Library roof work and HVAC.
  - JS will check on earlier repairs.

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**AGENDA ITEM: D. Overlay Surplus account discussion**

Discussion: -MRees: He provided a handout showing Overlay data as of 2/28/10. Assessors determine overlay; it is not voted on at Town Meeting. There are Real Estate Exemptions as defined by State Limitations on the tax bill, relative to age, income and whether there is blindness. \$86,562 has become the overlay transfer. Town has to vote on the transfer. If Real Estate tax is appealed then assessors determine, for example if a house gets reassessed, individual may get a credit (or not). Assessors have the authority to release funds, also they take revenue into account as well as commercial owner. We have held \$300k in reserve because of the poles at the center commons which is in litigation.

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**AGENDA ITEM: F. Warrant Articles Write-up review**

Discussion: -Revisions to Articles JJ and CC were prepared and discussed. Articles J

## AGENDA ITEM: **E. FY11 Budget Discussion**

- Discussion:
- PB: He recommended that \$500k from health care be transferred to the Stabilization Fund and that \$400k be redistributed to MRees according to the ratio to Schools and Municipal Departments; but put this in the Stabilization Fund in the meantime.
  - BO: He recommended that these funds be distributed to the various Departments and Committees for their restoration items (as they discussed with FINCOM at the individual meetings).
  - TD: He spoke of reducing health care fund approximately \$400k, to review impact statements, provide approximately \$200k to Schools, \$125k put into Stabilization Fund and rest spread to Library, Senior Center and Youth, also help fund the Festival Committee.
  - MR: He asked Schools to provide costs to keep 2 IT members for application software support.
  - TD: He asked about Town Fire Department to Harold Parker Property since State may not staff the Property. We can't get a pay back.
  - MRees: He will provide FINCOM data for Fire support provided to this Property.
  - MR: Regarding putting Budget together, he directed members to enter proposals on lines for this purpose that Lyne Savage has provided. MR will then consolidate the data.
  - TD: He will send Option 2 Revision 2 information to MRees then it can be added.
  - MR: Plan to vote on consolidated budget at next meeting, Tues, 6 April.
  - MRees: He spoke of the 27<sup>th</sup> week payroll versus usual 26. For Police and Fire, salaries are to be divided by 27. This is occurring because on un-even calendar years, every 8 years, need to have an extra pay check, thus 27 weeks. There is discussion with the unions regarding hourly and overtime considerations.

## AGENDA ITEM: **G. Warrant Articles Votes**

- Discussion:
- Vote Taken: Motion made by BO to approve Article CC as amended.  
Seconded by JS.  
Vote: Yes-unanimous, passed**
  - Vote Taken: Motion made by BO to approve Article JJ as amended.  
Seconded by JS.  
Vote: Yes-5, No-0, A-1 PB**

## V. Adjournment

Motion: RB	Yes	Unanimous	
Seconded: JS		Time:10:40	PM

## IV. Next Meetings

Thursday, 6 Apr 2010 Town Hall, 6:30 PM

## III. Old Business/Non-Agenda Items

### NON-AGENDA ITEM: H. Facilities Master Plan/Proposed Zoning Amendment

#### Discussion:

#### **Facilities Master Plan**

-MRees: He provided a handout for the Facilities Master Plan-Outline. He has an RFP out to address the Town's Facilities. Counsel has given affirmation to borrow over 5 years. Merits of the plan refer to the future of our buildings, both active and not; also leaves run-out at Osgood Properties for School Administration, Schools, (property vintage 1950's-1960's), for Fire Station, etc. Bradstreet and Fire Station buildings are due replies to RFP by 31 March 2010. There was no response for Bradstreet and there was one reply for the Fire Station. With the Senior population growing, a decision has to be made about moving the Sr. Center. Regarding hiring a Facilities Manager, he expects to hire January 2011; also the Consultants' report is due in January.

-Discussion occurred about getting Facilities Manager hired earlier to work with Consultant assessing Towns' Buildings and also work with the Facilities Committee. Possibly a hiring could occur in October of this year if \$75,000 is set aside. Further review of this item will be necessary.

#### **Proposed Zoning Amendment**

-CB: He provided copies of a letter titled, "Proposed Zoning Amendment to Section 4.121, dated April 1, 2010, received from Thomas Urbelis of Urbelis & Fieldsteel, LLP.

**ACTION ITEMS**

C=Complete

ITEM #	ACTION ITEM	INDIVID.	COMPL. DATE	STATUS
1-8	Completed items are shown in FINCOM Mtg Minutes of 4 Mar 2010 for review.			C
9,11-14,16	Completed items are shown in FINCOM Mtg Minutes of 11 Mar 2010 for review.			C
10,18,19	Completed items are shown in FINCOM Mtg Minutes of 25 Mar 2010 for review.			C
15	Add description column on Master Articles List which are boiler plate articles and will assign Articles to FINCOM members.	MR	16 Mar	
17	Correct current formula issues with the forecaster.	MR/TD	11 Mar	